

**BEFORE THE COUNTY COMMISSION
BREVARD COUNTY, FLORIDA**

IN RE: A Petition to Establish the Sun Terra Lakes)
 Community Development District)

AFFIDAVIT ADOPTING WRITTEN, PRE-FILED TESTIMONY

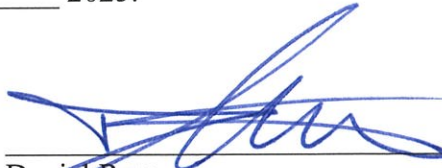
STATE OF FLORIDA
COUNTY OF Palm Beach

I, Daniel Rom ("Affiant"), being first duly sworn, do hereby state for my affidavit as follows:

1. I have personal knowledge of the matters set forth in this affidavit.
2. My name is Daniel Rom and I am a District Manager of Wrathell, Hunt & Associates, LLC.
3. The prepared written, pre-filed testimony consisting of eight (8) pages, submitted under my name to the County Commission of Brevard County relating to the Petition to Establish ("Petition") the Sun Terra Lakes Community Development District ("District") and attached hereto, is true and correct.
4. If I were asked the questions contained in the pre-filed testimony orally at the District establishment hearing, my oral answers would be substantially the same as the written answers presented in my pre-filed testimony.
5. My credentials, experience and qualifications concerning my work are accurately set forth in my pre-filed testimony.
6. My pre-filed testimony addresses the various managerial, operational and financial aspects related to the Petition.
7. No corrections or amendments to my pre-filed testimony are required.

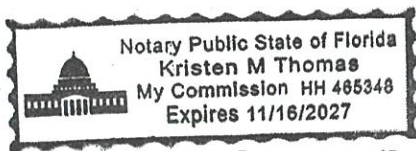
Under penalties of perjury, I declare that I have read the foregoing and the facts alleged are true and correct to the best of my knowledge and belief.

Executed this 14th day of July 2025.

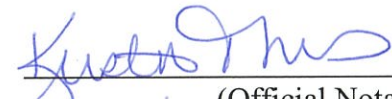


Daniel Rom

SWORN TO and SUBSCRIBED before me by means of ☒ physical presence or ☐ online notarization, this 14th day of July 2025 by the Affiant.



[notary seal]



(Official Notary Signature)
Name: Kristen Thomas
Personally Known
OR Produced Identification _____
Type of Identification _____

1 **TESTIMONY OF DANIEL ROM FOR THE ESTABLISHMENT**
2 **OF THE SUN TERRA LAKES COMMUNITY DEVELOPMENT DISTRICT**
3

4 **1. Please state your name and business address.**
5

6 My name is Daniel Rom. My business address is 2300 Glades Road, Suite 410W, Boca
7 Raton, Florida 33431.
8

9 **2. By whom are you employed and in what capacity?**
10

11 I am a District Manager of Wrathell, Hunt & Associates, LLC.
12

13 **3. What is the nature of your firm's business?**
14

15 Wrathell, Hunt and Associates, LLC, is a management and financial consulting firm. The
16 firm provides four (4) types of general services to its clients:
17

- 18 (1) Management and Financial Accounting Services for Community
- 19 Development Districts
- 20 (2) Economic studies including Statement of Estimated Regulatory Costs, sales
- 21 tax, and assessment analysis
- 22 (3) Long Term Strategic Planning for clients
- 23 (4) Preparation of Special Assessment Methodologies
24

25 **4. Do you work with both public and private sector clients?**
26

27 Yes. I work with a number of public sector clients that include community development
28 districts ("CDDs") across the state. I also work with various private companies as well.
29

30 **5. Please describe your educational background.**
31

32 Bachelor's in Consumer Studies, Business Administration and Management, 2010 from
33 The Ohio State University
34

35 **6. Please describe your work with CDDs in Florida.**
36

37 I've been District Manager of over 40 CDDs in Florida over 5.5 years and have been
38 involved in development/presentation of around 40 methodologies.
39

40 **7. What has been your role with respect to the proposed Sun Terra Lakes Community**
41 **Development District ("Proposed District") establishment proceeding?**
42

43 My firm serves as a financial, economic, and management consultant relating to the
44 establishment of the proposed District. Specifically, we prepared Exhibit 9, the Statement
45 of Estimated Regulatory Costs ("SERC"), of the Petition to Establish ("Petition") the
46 Proposed District.

DISTRICT MANAGEMENT

8. **At this point, I will ask you to address certain matters that relate to CDD management. Please describe the general manner in which a CDD actually operates.**

CDDs are governed by a five-member Board of Supervisors ("Board"). These Board members are initially appointed by the establishment entity in its ordinance. Within 90 days of the establishment of the CDD, a new board is elected by the landowner in the CDD. The Board is the governing body of the CDD. The Board employs a district manager, who supervises the district's services, facilities, and administrative functions. The Board annually considers and, after public notice and hearing, adopts a budget. The CDD submits a copy of the proposed budget to the applicable local general-purpose government for review and optional comment prior to its adoption each year.

9. **Are there requirements, such as the open meetings and public records laws, imposed upon CDDs in order to safeguard the public that are similar to those imposed upon other general purpose local governments?**

Yes, there are.

10. **Please describe these requirements and safeguards.**

It is important to note that the establishment of a CDD does not change any requirements for governmental approval of construction within the CDD. Any land development requirements and all state and local development regulations still apply.

Members of the Board must be residents of Florida and citizens of the United States. After the Board shifts to being elected by the resident electors of the CDD, the supervisors must also be residents and electors of the CDD. Board members must annually file similar financial disclosure forms and undergo ethics training like other local officials.

Under the Government in the Sunshine laws, all CDD Board meetings are open to the public, and other restrictions are imposed under Chapter 286, *Florida Statutes*. Further, all documents of the CDD are available to the public upon request, in accordance with Florida public records law. Additionally, like other political subdivisions, a CDD is required to send financial reports to the Department of Financial Services. Also, a CDD is audited by an independent certified public accountant every year.

Finally, to impose special or non-ad valorem assessments under Chapter 170, *Florida Statutes*, a CDD must provide published and mailed notice to those who are assessed. That assessment process entails preparation of a methodology that fairly and equitably allocates the cost of the CDD's projects.

11. **Please describe in general terms how a CDD operates financially.**

1 In the early stages, particularly when a CDD is formed in mid-year, the CDD's operating
2 funds may be funded by a "funding agreement" between the CDD and the
3 landowner/developer in lieu of assessments that the CDD might have imposed on property
4 within the CDD.

5
6 In order to provide long term financing of capital projects, CDDs often issue bonds. All
7 bonds issued by CDDs must be secured by a trust agreement, and any bond maturing over
8 a period of more than five years must be validated and confirmed by court decree pursuant
9 to Chapter 75, *Florida Statutes*. The CDD also may borrow funds on a long or short-term
10 basis.

11
12 Debt may be retired by the district through non-ad valorem or special assessments imposed
13 on benefited properties, or rates, fees, and charges imposed on users of CDD facilities and
14 services. By law, debt of the CDD cannot become debt of any other government (city,
15 county or state), without that government's consent.

16
17 **12. What alternatives, other than CDDs, are you familiar with that might be available to**
18 **provide community infrastructure for the lands within the Proposed District?**

19
20 In my opinion there are two alternatives that might provide community infrastructure such
21 as the roads, utilities, drainage, and other improvements contemplated for the Proposed
22 District. First, the general-purpose local government could finance the improvements
23 utilizing special assessments and general funds. Alternatively, the developer could provide
24 infrastructure through private means, including private financing if available. As discussed
25 later in my testimony, neither of these alternatives is preferable to the use of the CDD
26 concept.

27
28 **13. Do you have an opinion, as someone experienced in district management and**
29 **operations, as to whether the Proposed District is the best available alternative for**
30 **delivering community services and facilities to the areas that will be served by the**
31 **Proposed District?**

32
33 Yes. For this project, the Proposed District is the best alternative available for delivering
34 the proposed services and facilities to the area that will be served. These improvements
35 include but are not limited to stormwater management system, roadways, water,
36 wastewater, and reuse systems, undergrounding of conduit, landscape, hardscape, and
37 irrigation, recreational amenities, conservation areas, and offsite improvements.

38
39 **14. What is the basis for your opinion?**

40
41 Brevard County ("County") could finance the roadway and drainage improvements
42 utilizing special assessments or general funds. The developer and/or a homeowner's
43 association could provide these facilities, as well as the water and sewer facilities, through
44 private financing.

1 In evaluating these alternatives, it is important to consider whether the alternative can
2 provide focused services, can effectively and efficiently manage and maintain the facilities,
3 and whether the alternative can secure low cost, long-term public financing. The County
4 clearly provides the long-term perspective and is a stable and relatively low cost source of
5 financing and provider of services at sustained levels. However, the County has substantial
6 demands over a broad geographical area that places a heavy management delivery load on
7 its staff. In addition, if dependent district financing were used, the County would be
8 responsible for all administrative aspects of the dependent district. By using a dependent
9 district mechanism, the County would be increasing its responsibility, and hence liability,
10 for the variety of actions that will take place in the Sun Terra Lakes development. By
11 contrast, a CDD can be created to provide focused attention to a specific area in a cost-
12 effective manner. It also allows the County to focus staff time, finances, and other
13 resources elsewhere and does not burden the general body of taxpayers in the County with
14 the debt associated with this growth.

15
16 The other alternative is the use of private means – either through a property owner’s
17 association or through the developer, or both in combination. This combination can clearly
18 satisfy the high demand for focused service and facilities and managed delivery. However,
19 only a public entity can assure a long-term perspective, act as a stable provider of services
20 and facilities, qualify as a lower cost source of financing and pay for services at sustained
21 levels. Property owners’ associations lack the ability to effectively finance these types of
22 improvements. Their ability to assure adequate funds for sustained high levels of
23 maintenance is less than with a CDD.

24
25 Furthermore, neither the developer nor a POA would be required to conduct all actions
26 relating to the provision of these improvements in the “Sunshine” as a CDD must, or abide
27 by other public access requirements that are incumbent upon a CDD and its Board. Also,
28 provision and long term operation and maintenance of these improvements, particularly
29 the recreation and drainage activities, by a CDD ensures that residents have guaranteed
30 access to the body or entity making decisions about these facilities, and in fact will one day
31 sit as the five member Board making the decisions that impact their community directly.

32
33 A CDD is an independent, special-purpose unit of local government designed to focus its
34 attention on providing the best long-term service to its specific benefited properties and
35 residents. It has limited power and a limited area of jurisdiction. The Proposed District
36 will be governed by its own Board and managed by those whose sole purpose is to provide
37 the Proposed District long term planning, management and financing of these services and
38 facilities. This long-term management capability extends to the operation and maintenance
39 of the facilities owned by the Proposed District. Further, the sources for funding and
40 manner of collection of funds will assure that the Proposed District’s facilities will be
41 managed at the sustained levels of quality desired by residents well into the future.

- 42
43 **15. As someone experienced in district management, is the area to be included within the**
44 **Proposed District of sufficient size, compactness, and sufficiently contiguous to be**
45 **developable as one functional, interrelated community?**
46

1 Yes. From a management perspective, the area to be included within the Proposed District
2 is of sufficient size, compactness and is sufficiently contiguous to be developable as one
3 functional, interrelated community.
4

5 **16. What does the term “functionally interrelated community” mean?**
6

7 Local governments provide developments with the criteria for the elements of
8 infrastructure to provide for the facilities and services, including stormwater drainage,
9 water, sewer, and other facilities and services. Functional unification means that each
10 provided facility and service has a mutual reinforcing relationship to one another, with each
11 facility and service designed to contribute to the development and maintenance of the
12 community as a whole. Each facility and service must meet the growth and development
13 of the community, so a management capability and a funding source are required for each
14 service and facility. Thus, each of these necessary facilities and services must be
15 integrated, unified, and connected into a long-range plan.
16

17 **17. What is the basis for your opinion?**
18

19 First, the lands to be included within the Proposed District have sufficient infrastructure
20 needs to be developable as a functionally interrelated community. Second, this necessary
21 infrastructure can be provided by the Proposed District in a cost-effective manner based
22 upon the specific design of the community. Furthermore, the use of one development plan
23 whose infrastructure is implemented by a CDD to provide the community services and
24 facilities will ensure that the proposed improvements are provided and maintained in an
25 efficient, functional and integrated manner.
26

27 The lands within the Proposed District will consist of approximately 1,082.242 acres of
28 land. The purpose of this statutory requirement is to ensure successful and efficient
29 delivery of services and facilities to the property. Based upon my previous experience with
30 special districts, the Proposed District is suitably configured to maximize the timely and
31 cost efficient delivery of the necessary services and facilities.
32

33 **18. Do you have an opinion, as someone experienced in district management and**
34 **operations, as to whether the area that will be served by the Proposed District is**
35 **amenable to separate special district government?**
36

37 Yes.
38

39 **19. What is your opinion?**
40

41 The Proposed District is of sufficient size, compactness and contiguity. Therefore, the area
42 to be served by the Proposed District is well suited to separate special district governance.
43

44 **20. What is the basis for your opinion?**
45

Two criteria are needed to evaluate a land area as amenable to separate special district government. One, does the land area have need for the facilities and services and will its owners and residents benefit from facilities that the special district could provide? Two, is the land area of sufficient size, sufficiently compact and sufficiently contiguous to be the basis for a functional interrelated community?

Under both criteria, the Proposed District is a planned community of sufficient size with a need for the facilities and improvements that are presently expected to be provided by the Proposed District. As described in the Petition, the Proposed District will construct and maintain certain needed facilities and services. Other facilities and improvements may be constructed by the Proposed District and ultimately maintained by the County. Based on my experience, CDDs of this size are large enough to effectively provide and manage services. From a management and operations perspective, the land area is well suited to the provision of the proposed services and facilities.

- 21. Do you have an opinion, as someone experienced in district management and operations, as to whether the community development services and facilities of the Proposed District will be incompatible with the capacity and use of existing local and regional community development services and facilities?**

Yes.

- 22. What is your opinion?**

The proposed services and facilities of the Proposed District are not incompatible with the capacity and uses of existing local or regional community development services and facilities.

- 23. What is the basis for your opinion?**

Petitioner presently expects the Proposed District to finance and construct stormwater management system, roadways, water, wastewater, and reuse systems, undergrounding of conduit, landscape, hardscape, and irrigation, recreational amenities, conservation areas, and offsite improvements. None of the facilities expected to be provided by the Proposed District presently exist. There will be no overlap or incompatibility because the facilities and improvements expected to be provided by the Proposed District do not exist today.

ECONOMICS AND FINANCING

- 24. Are you familiar with the Petition filed by Jen Florida 48, LLC ("Petitioner"), to establish the Proposed District?**

Yes, I have reviewed the petition and all of the attached exhibits. Specifically, we prepared Petition Exhibit 7, which is the SERC, a requirement of Chapter 190, *Florida Statutes*.

1 **25. Based on your review of Petition Exhibit 7 (Statement of Estimated Regulatory**
2 **Costs), are there any updates that need to be made at this time?**

3
4 No updates are necessary at this time.
5

6 **26. What exactly is a Statement of Estimated Regulatory Costs (“SERC”)?**
7

8 It is a requirement under Section 120.541(2), *Florida Statutes*, which has been incorporated
9 into the law on establishment of CDDs.
10

11 **27. In general terms, please summarize the economic analyses presented in the SERC.**
12

13 An understanding of the SERC requires the recognition of the scope of review and
14 evaluation for the establishment of a CDD as set out in Chapter 190, *Florida Statutes*.
15 Section 190.002(2)(d), *Florida Statutes*, states “that the process of establishing such a
16 district pursuant to uniform general law [must] be fair and based only on factors material
17 to managing and financing the service-delivery function of the district, so that any matter
18 concerning permitting or planning of the development is not material or relevant.” Thus,
19 the scope of the economic analysis included in the SERC addresses only the establishment
20 of the Proposed District, and not the planning or development of the property itself.
21

22 The economic analysis sets out the assumptions about the development within the Proposed
23 District and the anticipated infrastructure to be provided by it. The analysis addresses each
24 of the potentially affected parties defined in the statute and evaluates the impact of the
25 Proposed District on each such group.
26

27 The Proposed District is a limited and highly specialized unit of local government. It is a
28 special-purpose unit of local government with a single objective: the provision and
29 maintenance of infrastructure and services for a planned new community. Its economic
30 benefits exceed its economic cost to Petitioner, the County, and to all subsequent
31 purchasers and landowners of the community - in short, to all affected parties.
32

33 Once the Proposed District is established, there are no direct costs to the County. While
34 the Proposed District will provide certain reports and budgets to the County for its
35 discretionary review, there are no requirements that it incur any obligations or expense
36 associated with its review. In addition, to the extent the Proposed District utilizes the
37 services of the Property Appraiser or Tax Collector under the provisions of Chapter 197,
38 *Florida Statutes*, to collect its assessments the Proposed District must pay the
39 administrative costs associated with those services.
40

41 It is important to note that under Chapter 190, *Florida Statutes*, the debt of the Proposed
42 District cannot become the debt of the County or the State of Florida. Since the Proposed
43 District will be an independent unit of government and will issue its own bonds, the
44 Proposed District will not have any affect on the bonding capacity of the County or the
45 State of Florida.
46

1 **28. Please describe briefly the data and methodology used in preparing the SERC and**
2 **related analyses.**

3
4 The data for the analysis came from the landowner, other experts working on the Petition,
5 and from the Petition itself. The methodology is standard economic impact assessment.
6

7 **29. From an economic and financial perspective, do you have an opinion regarding the**
8 **financial viability and feasibility of the Proposed District?**

9
10 Yes, I do.
11

12 **30. What is that opinion?**

13
14 In my opinion, based on my experience with other CDDs, the Proposed District is expected
15 to be financially viable and feasible.
16

17 **31. Does this conclude your testimony?**

18
19 Yes, it does.
20